



COUNTY OF LOS ANGELES  
Internal Services Department

1100 North Eastern Avenue  
Los Angeles, California 90063



United We Stand

DAVE LAMBERTSON  
Interim Director

TO ENRICH LIVES THROUGH EFFECTIVE AND CARING SERVICE

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May 8, 2003

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**REQUEST FOR APPROVAL AND AWARD OF THE VEHICLE FLEET MAINTENANCE  
AND REPAIR SERVICES CONTRACT TO JOHNSON CONTROLS, INC.  
(ALL DISTRICTS - 3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that vehicle fleet maintenance and repair services can be more economically performed by an independent contractor than by County employees.
2. Approve, award and instruct the Chair to sign a contract with Johnson Controls World Services, Inc. (JCI) to provide vehicle fleet maintenance and repair services effective August 1, 2003, for a term of three (3) years with two (2) one-year renewal options and six (6) month-to-month extensions.
3. Authorize the Interim Director of Internal Services Department (ISD) or designee to exercise the renewal options and month-to-month extensions under the terms of the Contract at his sole discretion.
4. Authorize the Interim Director of ISD or designee to add and delete facilities and to approve necessary changes to scope in service.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The Internal Services Department (ISD) provides automotive services, through a contract, to all County departments except the Sheriff and Public Works. The Contract also does not include the Fire Department's large fire-fighting trucks and apparatus. Under the existing contract, services are available at seven (7) County-owned facilities and on Catalina Island through a subcontractor hired by the Contractor.

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The current Vehicle Fleet Maintenance and Repair Services Contract expires on July 31, 2003. JCI was selected based on proposal evaluations and because their proposal response was the lowest cost option. The recommended action is necessary to insure continuation of crucial repair and maintenance services for the 3,700 vehicles and equipment in the County fleet for which ISD is responsible.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommended Vehicle Fleet Maintenance and Repair Services Contract supports the County's Strategic Plan Goals No. 1 and No. 4, Service Excellence and Fiscal Responsibility. More specifically, it aligns with these goals by providing an enhanced level of automotive maintenance and repair services, and provides auto repair services at lower hourly costs.

### **FISCAL IMPACT/FINANCING**

Under the recommended contract, the Contractor will be reimbursed for services in the following manner:

- **Fee-For-Service:** For all repair services, the Contractor will receive an agreed upon hourly rate for actual hours of work performed. The hourly rate varies slightly based on the specific vehicle category (e.g., light vehicles vs. off-road vehicles, etc.) and ranges from \$36.36 to \$37.93 per hour. The Contractor's parts costs are reimbursed at 25% off of the manufacturer's suggested retail price.
- **Management Fee:** The Contractor will receive a fixed annual Management Fee of \$240,128 to provide motor pool operations, fuel site operations and fleet management services at all facilities.
- **Car washes** are provided at a fixed rate of \$10 per car.

JCI's hourly rates for all vehicle categories shall remain fixed and firm for the term of the Contract. The recommended contract allows for a Cost of Living Adjustment (COLA) to the hourly labor rates during the 4<sup>th</sup> and 5<sup>th</sup> year, if the option to renew is exercised. The COLA language in the Contract is consistent with your Board's policy of January 29, 2002 and the Chief Administrative Office memorandum of May 2, 2002. The management fee, car wash rate and parts discount are fixed and firm for the entire term of the Contract as well as any subsequent renewals and extensions.

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The Contractor is not guaranteed any particular fixed workload and will be paid primarily on a Fee For Service basis. This approach is in the County's best interest, as departments will only be charged for repair costs as they are incurred. Only the annual Management Fee is a guaranteed contract cost. The estimated annual contract cost, based on the County historical repair data is approximately \$5.4 million. Specifically:

Estimated mechanical labor costs based on historical repair hours times proposed rates	\$3,158,445
Estimated gross parts cost less proposed 25% discount	\$1,832,435
Estimated car washes times proposed car wash rate	\$ 136,000
Fixed annual Management Fees and Equipment	\$ 264,659
<b>Estimated Contract Cost</b>	<b>\$5,391,539</b>

The estimated contract cost is subject to change based on actual workload. Sufficient funds for the recommended contract are included in ISD's Fiscal Year 2003-04 budget. ISD will only incur expenditures to the extent that they are offset through billings to County departments.

No layoffs or reductions in County workforce or other adverse impacts to County employees will result from this award, as the work is presently contracted out. The County's cost to provide vehicle fleet maintenance and repair services in house would be \$7,930,784 and an annual savings of approximately \$1,775,784 will result from this contract. The Proposition A Contract Cost Analysis, approved by the Auditor Controller, is attached as Attachment 1.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The terms and conditions of the Contract have been approved as to form by County Counsel and the Contract award fully complies with the mandatory Proposition A requirements contained in County Code Section 2.121.380. Under the Contract, the Contractor will consider qualified GAIN/GROW participants for employment openings, and comply with the Jury Duty Ordinance, Safely Surrender Baby Law and County's Child Support Compliance Program. The Child Support Services Department has confirmed that JCI has complied with the requirement to file a Principal Owner Information Form with its office. The Risk Management Section of the Chief Administrative Office has approved insurance coverage required by the Agreement. As this is a Proposition A Contract, this Contract is subject to the Living Wage Program (County Code Chapter 2.201). JCI complies with the Living Wage Program by paying in excess of \$9.46 with benefits.

The Contract contains provisions requiring the Contractor to provide comprehensive vehicle fleet maintenance and repair services for County vehicles and incorporates multiple performance standards to monitor contractor compliance to insure performance levels are met and the highest level of service is obtained. These services include, but are not limited to, mechanical and body shop repairs for vehicles brought in for service, scheduling of maintenance, fleet management services, cleaning and maintenance of facilities, and providing all tools and portable equipment required to provide services under this Contract.

Additionally, the new Contract provides for the deletion of one (1) existing County facility located at the Peter Pitchess Honor Ranch and the addition of two (2) facilities in north San Fernando Valley and south County. The new locations will allow greater flexibility in meeting the needs of the County departments with vehicles in those two geographic areas. The Contractor is responsible for leasing and assuming the costs for these facilities.

### **CONTRACTING PROCESS**

On December 19, 2002, ISD notified the 36 vendors shown on Attachment 2, regarding the release of the RFP. The RFP was released on December 26, 2002 by posting on the County's website and made available via hard copy. Additionally, the mandatory Proposition A advertising was published in the Los Angeles Times, La Opinion, Rafu Shimpo, and the Los Angeles Sentinel. Nine (9) vendors attended the mandatory Proposer's Conference and site visits that were held on January 14 and 15, 2003.

Four (4) proposals were received and reviewed for compliance with the minimum requirement criteria stated in the RFP. All four proposals were submitted to an evaluation committee of subject matter experts for evaluation in accordance with the evaluation criteria in the RFP. The Evaluation Committee, including members of ISD Fleet Services, and three subject matter experts outside of Los Angeles County (Fleet Managers for the cities of Beverly Hills, Anaheim and Torrance), evaluated the proposals in accordance with the criteria set forth in the RFP.

Community Business Enterprise Program participation information for the four firms is shown in Attachment 3. The proposed contractor was selected without regard to gender, race, creed, or color for award of a contract.

Proposals were rated on the following criteria: 1) Proposer's Qualifications (20%); 2) Proposer's Approach to Providing Required Services (40%); and 3) Cost (40%). The JCI

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proposal earned the highest score and offered the lowest cost proposal for providing the required Vehicle Fleet Maintenance and Repair Services.

The three (3) proposers that were not selected were offered and received vendor debriefings. The debriefings provided the firms with an understanding of the proposal evaluation and scoring processes and how their individual proposal scored.

The recommended Contractor, JCI, has indicated their willingness to interview and consider the existing contractor's work force for employment with their company as well as provide a probation period to allow time for each employee to obtain the Contract required certifications. Additionally, Johnson Controls will pay for certification test fees for any employee who takes the required certifications once accepting a position with JCI.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This is a re-solicitation of an existing contract; no County employees will be impacted. No layoffs or reductions in County workforce or other adverse impacts to County employees will result from this award, as the work is presently contracted out.

#### **CONCLUSION**

Approval of the Contract will allow the County to continue to provide quality vehicle fleet maintenance and repair services for County departments in nine (9) locations throughout Los Angeles County and Catalina Island, and will ensure a continued well-maintained County vehicle fleet.

Respectfully submitted,



Dave Lambertson  
Interim Director

DL:DB:ml  
Attachments (4)

c: Chief Administrative Officer  
Executive Officer, Board of Supervisors  
County Counsel  
Auditor-Controller

**ISD - CONTRACT ADMINISTRATION DIVISION**  
**Comparison of County's Estimated Costs to Contractor's Costs**

**COUNTY COSTS****Direct Costs****Salaries -**

<u>Classification</u>	<u>Monthly 5th Step Salary</u>	<u>No. of Positions</u>	<u>No. of Months</u>	<u>Total</u>
Body & Fender Mech Wkg Supv	4,258.52	1.0	12	\$ 51,102
Power Eq Mech	3,966.20	52.0	624	2,474,909
Body & Fender Mech	3,966.20	2.0	24	95,189
Power Eq Mech Supv	4,452.12	15.0	180	801,382
Power Eq Spec Writer	4,989.45	1.0	12	59,873
Garage Attendant I	2,623.82	7.0	84	220,401
Power Equip Painter	3,868.88	2.0	24	92,853
Data Control Clerk	1,943.55	2.0	24	46,645
Administrative Manager, XI	8,069.09	1.0	12	96,829
Sr. Secretary III	3,910.18	1.0	12	46,922
Intermediate Typist-Clerk	2,481.00	1.0	12	29,772
Intermediate Clerk	2,421.00	2.0	24	58,104
Subtotal				\$ 4,073,981
				Less: 5th Step Salary Savings
				<u>(151,145)</u>
				<b>Total Direct Salaries</b>
				<u>\$ 3,922,837</u>
				<u>1,377,308</u>
<b>Employee Benefits</b>				<b>Total Salaries &amp; Employee Benefits</b>
				<u>\$ 5,300,144</u>

**Services & Supplies**

\$ 2,338,938

**Equipment**

<u>Description</u>	<u>No. of Units</u>	<u>Cost/Unit</u>	<u>Total Cost</u>	<u>Amortized</u>
Hoists 12,000 lbs	7	13,624	95,368	\$ 19,074
Tire Balancer	4	3,322	13,288	2,658
Alignment Rack	2	7,000	14,000	2,800
Equipment - Other			195,855	39,171
Total				<u>\$ 63,702</u>
Lease cost for two additional sites identified in the RFP				\$ 228,000
<b>Total Estimated County Costs</b>				<u>\$ 7,930,784</u>

**CONTRACTING COSTS****Direct Costs**

Contract costs

\$ 5,391,539

**Indirect Costs**

Contract monitoring (1.0 Supv Cont Program Monitor & 8.0 Cont Program Monitor)

763,461

**Total Contract Costs**

\$ 6,155,000

Estimated Savings from Contracting (County Costs less Contract Costs)

\$ 1,775,784

Savings

22.4%

### Vehicle Fleet Maintenance and Repair Services Vendor Listing

COMPANY	CONTACT	ADDRESS	CITY/STATE/ZIP	PHONE	FAX
American Auto Service	Arthur Atkins	1015 Fremont Ave.	South Pasadena, CA 91030	626/441-4037	626/441-4090
ARI Fleet Leasing Management	Karen Wallace	18301 Von Karman, Ste. 870	Irvine, CA 92612	949/863-9192	949/863-1988
Butler Fleet Services	Mike Masters	110 Summit Ave.	Montvale, NJ 07645	973/471-8884	201/573-8667
Charles E. Thomas Company	Patrick Doran	13701 S. Alma Ave.	Gardena, CA 90249	310/323-6730	310/323-4433
Consolidated Service Corp.	Paul Kasbar	5350 Keystone Ct.	Rolling Meadows, IL 60008	847/481-2000	847/368-3416
Del-Jen Inc.	Janet Oliver	28441 Highridge Rd., Ste. 401	Rolling Hills, CA 90274	310/544-2299	310/541-5630
Duran's Auto Body Shop	Martin Duran	4605 E. 3rd St.	Los Angeles, CA 90022	323/261-4233	323/261-9415
Enterprise Fleet Services	Larry	17210 Main St.	Gardena, CA 90248	310/329-3110	310/516-4879
First Vehicle Services	Kevin Mulcahy	42402 N. La Plata Rd.	Cave Creek, AZ 85331	480/575-6789	480/595-1724
First Vehicle Services	Bill Fowler	705 Central Ave., Ste. 500	Cincinnati, OH 45202	513/772-5869	
Fleet Service, Inc.	Office Manager	532 Monterey Pass Rd.	Monterey Park, CA 91754		
GE Capital Fleet Services	John Rodriguez	2400 E. Katella Ave., Ste. 200	Anaheim, CA 92806	714/941-1100	714/941-1018
Golden State Ford Truck	Richard Reynolds	5925 S. Alameda St.	Los Angeles, CA 90001	323/586-8072	
Guaranty Chevrolet	Mike Gertz	711 E. 17th Street	San La Ana, CA 92701	714/973-1711	714/973-8207
Halsey King & Associates	Office Manager	2604 B El Camino Real, #128	Carlsbad, CA 92008		
J. L. Associates, Inc.	Ray Bergeron	22 Enterprise Parkway, Ste. 310	Hampton, VA 23666-0460		
Johnson Controls World Svs., Inc	Pat Carroll	7315 N. Atlantic Ave.	Cape Canaveral, FL 32920	321/784-7100	321/784-7152
Leaders Industries Inc.	Mario Montes	10941 Weaver Ave.	So. El Monte, CA 91733	626/575-0880	626/575-0286
Lear Siegler Services, Inc.	Barney Jenkinson	2701 Liberty Parkway, Ste. 304	Mid West City, OK 73110	405/610-6200	
Morgan Attwood & Son	Rebecca L. Attwood	843 W. Kildare	Lancaster, CA 93534	661/948-5716	661/726-9667
On-Site Wheel Alignment, Inc.	Rick Shedore	1901 W. Collins Ave.	Orange, CA 92867	714/538-0700	714/538-1122
Orange Line Oil Company, Inc.	Scott Tredinnick	404 E. Commercial St.	Pomona, CA 91767	909/623-0533	909/622-9863
Parking Company of America	Helen Mouat	11101 Lakewood Blvd.	Downey, CA 90241	562/862-2118	562/862-4409
Peck Road Ford Truck Sales	Jim Kelley	2450 Kella Ave.	Whittier, CA 90601	562/692-7267	562/692-4987
Penske Truck Leasing	Ken McKibben	Route 10 Green Hills, PO Box 563	Reading, PA 19603-0563	610/775-6000	610/775-6418
Rollin Wrench	Dan Halfhill	3835R E. Thousand Oaks Bl. #408	Westlake Village, CA 91362	310/456-1077	310/456-1518
Rushon International	Mark Littlefield	4535 S. Commerce Dr.	Murray, UT 84107	801/281-4466	801*262-2630
Salex Fleet Specialists	George Arguela	50 Laser Court	Hauppauge, NY 11788-8829		
SERCO Management Svs., Inc.	Ray Bergeron	20 East Clemention Rd., Ste. 102	Gibbsboro, NJ 08026	856/309-9346	
SKE Support Services, Inc.	Dave Jones	13782 Douglass Ranch	Pine, CO 80470	303-816-0284	303-816-0238
Sutton Leasing, Inc.	Bryan Rodgers	4220 Colfax Ave., #106	Studio City, CA 91604	818/985-1054	818/985-1037
TECOM Fleet Management, Inc.	Greg McIntosh	P.O. Box 26492	Austin, TX 78759		
TECOM, Inc.	Toby Dickinson	8834 N. Capital of Texas, Ste 302	Austin, TX 78759	512/454-7966	512/454-3800
Time For A Change	Steve de Baets	P.O. Box 994	Manhattan Beach, CA 90267	310-545-8849	310/545-1183
Transmission Clinic, Inc.	Ronald Leonard	3839 W. Imperial Hwy.	Inglewood, CA 90303	310/673-9881	310/673-6922
VehiCare	Office Manager	290 Woodcliff Drive	Fairport, NY 14450		

**COMMUNITY BUSINESS ENTERPRISE PROGRAM  
INFORMATION SUMMARY**

This information was gathered for statistical purposes only. On final analysis and consideration of award, selection was made without regard to gender, race, creed or color.

FIRM INFORMATION		PARKING COMPANY OF AMERICA MANAGEMENT LLC	SKE SUPPORT SERVICES INC	JOHNSON CONTROLS WORLD SERVICE INC	SERCO
Cultural/Ethnic Composition		% of Ownership	% of Ownership	% of Ownership	% of Ownership
OWNERS/PARTNERS	Black/African American	0%	N/A	N/A	N/A
	Hispanic/Latin American	62%	N/A	N/A	N/A
	Asian American	0%	N/A	N/A	N/A
	American Indian/Alaskan	0%	N/A	N/A	N/A
	All others	5%	N/A	N/A	N/A
	Women	33%	N/A	N/A	N/A
		<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
MANAGER	Black/African American	4	1	N/A	7
	Hispanic/Latin American	15	0	N/A	2
	Asian American	5	1	N/A	0
	American Indian/Alaskan	0	0	N/A	1
	All others	25	19	N/A	54
	Women	12	2	N/A	17
STAFF	Black/African American	41	43	N/A	86
	Hispanic/Latin American	292	11	N/A	51
	Asian American	76	5	N/A	25
	American Indian/Alaskan	2	2	N/A	0
	All others	178	200	N/A	153
	Women	180	69	N/A	94
TOTAL # OF EMPLOYEES		830	353	N/A	490
BUSINESS STRUCTURE		LLC	Corporation	Corporation	Corporation
Certified as Minority, Women, Disadvantaged or Disabled Veteran Business Enterprise?		YES	NO	NO	NO
CERTIFYING AGENCY		City of Los Angeles, OCC, County of Los Angeles**			

\*Corporation data not available

\*\*County of Los Angeles